

31 MARCH 1999

APPENDIX B

NAVY IMPLEMENTING INSTRUCTIONS

B-1. Purpose. This appendix prescribes specific policies, procedures, and responsibilities for implementing OPNAVINST 4790.14A, Logistics Joint Depot Maintenance (JDM) Program, herein referred to as the "basic regulation," within U.S. Navy organizations.

a. It provides guidance on Navy policy and procedures for interservice, intraservice, and interagency support that relate to joint depot maintenance.

b. With the exception of Hull, Mechanical, and Electrical (HM&E) programs for ships and submarines, this appendix applies to all weapons, weapon systems, equipment, and their nonconsumable components which are under the cognizance of the Navy whether or not there is similarity to another Service's item. While new equipment and systems entering the Navy inventory are the particular emphasis, this appendix applies to those items already in the inventory, as well as all modifications and Military Construction (MILCON) programs involving depot maintenance support.

B-2. Policy.

a. The Navy will use and provide depot maintenance interservice support consistent with the efficient use of Navy organic depots and effective support of the operating forces. Navy activities will provide depot maintenance support organically or by contract for other Military Services, government agencies, or Systems Commands (SYSCOM) when capability and capacity exists.

b. New system and equipment acquisitions will be submitted as Depot Maintenance Interservice (DMI) candidates for joint Service review to determine the Depot Source of Repair (DSOR). Permanent DSORs will not be assigned until the joint Service DSOR decision has been announced. Planning, budgeting, and funding for depot support will continue, but funds will not be expended to facilitate a specific depot until the joint Service DSOR decision is obtained.

c. Changes to an existing DSOR that requires an additional depot capital investment of \$250,000 or more to establish a new capability or to relocate the DSOR will be subject to DMI review. This \$250,000 threshold applies to relocating workload between Navy depots, and relocating workload to or from another Service depot. Transitioning workload to or from contract support will be subject to DMI review.

d. There will be no exemptions from the DMI/DSOR decision process. Only the assigned DSOR will be used for repairable workload.

e. Integrated logistics support reviews will include the DSOR process as a mandatory, critical element for all new acquisitions and modification programs.

31 MARCH 1999

f. The use of Depot Maintenance Intraservice Support Agreements (DMISA) between Navy activities is required only if the Principal or the Agent requests such an agreement; Memoranda of Agreements or other less formal documents are encouraged.

B-3. Responsibilities. The Navy's interservice network will be established and maintained to ensure the responsibilities set out in the basic regulation and in this appendix are fulfilled. This network consists of the Maintenance Interservice Support Management Office (MISMO), personnel within Navy Systems Commands and at depot maintenance activities, and acquisition/logistics managers who acquire, modify, support weapon systems/equipment/components or who procure depot support services. It also includes inventory control point personnel who manage/procure reparable material.

a. MISMO. The Navy MISMO, under the Navy Office of Primary Responsibility (OPR) for JDM, is responsible for developing, coordinating, and implementing the JDM Program in the Navy. MISMO responsibilities are specified in the basic regulation. Additional responsibilities are:

- (1) Provide support to the Navy's JG-DM Principals at OPNAV, NAVAIR, and NAVSEA.
- (2) Represent the Navy SYSCOMs' interests on JDM issues.
- (3) Provide the Navy Joint Advisory Board (JAB) member to the JG-DM.
- (4) Provide support for the Defense Depot Maintenance Council (DDMC) and DDMC Business Plan (DBP).
- (5) Provide the Navy MILCON Review Panel member.
- (6) Assist Navy JG-DM Principals with identifying requirements for representation for various joint depot maintenance initiatives and working groups such as: technology exchange, performance measurement, MILCON review, cost comparability, and Interservice Material Accounting and Control System (IMACS).

b. SYSCOMs. The SYSCOMs have established a Maintenance Interservice Support Office (MISO) within their command headquarters and at the Naval Inventory Control Points (NAVICP). Personnel within the SYSCOMs will use the MISO network to request depot maintenance support from other Services or other SYSCOMs. Responsibilities for MISOs are provided in the basic regulation; their primary responsibilities are indicated below.

- (1) MISOs. The MISOs will:
 - (a) Implement the JDM program within their respective commands.
 - (b) Work with the Program Managers (PM), as required by the PM, to advise on intra-Navy and interservice industrial capability establishment or as an industrial facilities team

31 MARCH 1999

member, in conjunction with the PM identify DMI candidates and submit required forms and associated data; identify depot candidates and coordinate depot proposals, and implement the DSOR decision.

(c) Assist with screening Navy records for usage and repair source data to support DMI studies and DSOR decision implementation; provide interservice workload data periodically.

(d) Negotiate and manage depot maintenance interservice support programs or agreements for their commands.

(e) Implement DSOR decisions and report progress on DSOR implementation.

(f) Respond to JDM data calls; participate in or provide members to participate in special JDM working groups.

(2) Joint Technology Exchange. A minimum of one representative will be provided from both NAVAIR and NAVSEA. Participation from both the SYSCOM headquarters level and the depots are encouraged.

(3) Joint Performance Measurement. A minimum of one representative will be provided from both NAVAIR and NAVSEA. NAVAIR will be the lead SYSCOM

(4) Cost Comparability. A minimum of one representative will be provided from both NAVAIR and NAVSEA. NAVAIR will be the lead SYSCOM.

(5) IMACS CMT. The Navy MISMO will provide a representative to this group. The Navy MISMO will levy requirements on the SYSCOMs/NAVICPs/depots for other CMT members.

(6) DDMC Business Plan (DBP). NAVAIR, NAVSEA, and SPAWAR will each provide representatives to work on DBP development and DBP taskings. NAVSUP will provide timely input from their NAVICPs as required to support the DBP.

c. Depots. A Maintenance Interservice Coordinating Office (MICO) will be assigned for all Navy DSORs to manage and coordinate the interservice and intraservice affairs of those activities. Depot representatives may also be required to participate in joint initiatives and working groups when nominated by their SYSCOMs.

(1) MICOs will, at the request of the MISOs, support their corresponding SYSCOM MISO counterparts. The functions of the MICO are stated in Attachment (1) to this appendix.

(2) Joint technology exchange representation is highly encouraged for all Navy depots and industrial facilities that might benefit from participating in these working groups.

(3) Navy depots will provide data as required to support the DDMC Business Plan.

31 MARCH 1999

d. Program Managers:

(1) Review all new and ongoing acquisitions and logistics support programs for MILCON, weapon systems, subsystems, and equipment items, including modifications to determine if the criteria in Chapter 4 of the basic instruction are met. Any programs meeting even one of these criteria will be promptly identified to their SYSCOM MISO using the procedures outlined in section B-4 of this appendix.

(2) Introduce items for DMI study in sufficient time to conduct the study and meet program support needs. Ensure that information requirements for DMI introduction and study may be obtained including technical data which may need to be requested as a contract deliverable.

(3) Ensure that binding commitments are not made for support equipment and facility construction or alteration for establishing a capability at a specific depot site (organic or commercial) prior to the DSOR decision.

(4) Ensure logistics reviews include the DSOR decision process as a critical element in the approval for progression to the next weapon system acquisition phase.

(5) Assign a focal point to coordinate the DSOR decision process actions and data requirements and to implement the DSOR decisions.

(6) Specify adherence to DMI requirements and indicate DMI status in integrated logistics planning documents.

e. NAVICP. As required by NAVSUPINST 4790.7:

(1) Load DSOR codes in required logistics data bases.

(2) Perform appropriate cataloging actions.

f. The Navy joint MILCON review representative will:

(1) Canvass the Navy SYSCOMs as necessary to document Navy candidate projects for review.

(2) Represent the Navy at all annual, year end or special meetings.

(3) Assemble from the SYSCOMs and provide to JDMAG the status, cost, and schedule changes on approved Navy projects as required periodically for JDMAG published reports.

31 MARCH 1999

B-4. Procedures.

a. DMI Candidates. DMI candidates must be identified and submitted for the DMI study and DSOR decision process by the cognizant acquisition program office. For weapon systems or equipment programs following formal acquisition phases, identify as early as possible, but not later than 90 days after the award of the Engineering and Manufacturing Development contract; for systems or equipment not following formal acquisition phases, such as, non-developmental items, identify upon approval of user requirements. When changes in the existing DSOR are being contemplated, notify the MISO as soon as that potential occurrence is made known.

(1) Identification and Introduction of Potential DMI Candidates.

(a) When a potential DMI candidate is identified, the cognizant program manager will complete JLC Forms 27 and 44 and submit them, via the SYSCOM MISO, to the Navy MISMO. JLC Form 44 will contain a summary of the results of the decision tree analysis. This analysis will be conducted using the prevailing decision logic process/methodology.

(b) The MISO will work with the PM to ensure the forms are completed properly; to ensure the initial determination as to organic versus commercial depot support is indicated on JLC Form 44; and to ensure that the rationale indicated on JLC Form 44 supports the Depot Source of Repair recommendation.

(c) The Navy MISMO will evaluate the adequacy of the information contained within the JLC Forms 27 and 44. The MISMO will validate applicability of the item for DMI review, determine the type of review appropriate, and take action to obtain a joint Service DSOR decision. The MISMO will recommend a candidate depot, based on the recommendation from the MISO and as documented in the introduction package.

(d) If the MISMO evaluation confirms that the item is a viable DMI candidate, the MISMO will introduce the candidate to the DMI community and/or to the JDMAG in accordance with the basic instruction. The MISMO will direct the responsible SYSCOM to defer capital investment for depot support until a DSOR decision is reached.

(2) Development and Submission of Program/Technical Data Package. The Program and Technical Data Package is made up of several JLC Forms and associated technical data. All requests and responses for this information will be processed through the MISMO, unless otherwise directed. Refer to the basic regulation for an explanation and sample forms.

(a) Submission of JLC Form 28 is mandatory. Submit this form when the depot level repairables (DLRs) of the equipment or system have been identified. The DLRs are listed on this form in topdown, breakdown sequence. JLC Form 28 may be submitted with the introduction package.

(b) The MISMO will notify the MISO if additional information or forms need to be submitted. Technical data may be submitted incrementally as the information becomes available.

31 MARCH 1999

(3) Development and Submission of the Depot Support Proposal Package. The Depot Support Proposal (DSP) package consists of JLC Forms identified in Chapter 4 of the basic instruction, which also contains sample forms. The Navy candidate depot completes the DSP.

(a) The DSP will be developed based on the information provided in the Program/Technical Data Package, any additional guidelines provided in the requesting correspondence, and the Defense Depot Maintenance Council Cost Comparability Handbook.

(b) Requests from JDMAG for this information will be submitted via the Navy MISMO. All data requests and responses between JDMAG and the Navy candidate depot will be submitted through the Navy MISMO.

(4) Processing and Review of DMI Candidates. The following procedures apply for DMI studies:

(a) For MISMO Reviews: SYSCOM MISO submits JLC Forms 27, 44, and 28 to the Navy MISMO with a recommendation for a DSOR. The MISMO conducts the review, validates the recommendation, and submits the package to the other MISMOs for joint Service approval. The Navy MISMO notifies the Navy MISOs of the decision and requests implementation.

(b) For JDMAG DMI Studies: The SYSCOM MISO submits JLC Forms 27 and 44 to the MISMO. JLC Form 28 may be submitted with the JLC Forms 27 and 44, if the repairables can be identified at this time. The MISMO screens the information submitted on the forms and submits the package to JDMAG for study.

1 The MISMO provides copies of all introduction packages to the Hardware Systems Command (HSC) MISOs. The MISOs determine depot support interest and validate Service user information. Any HSC with a known organic or contract capability and capacity should notify the Navy MISMO.

2 If JDMAG requests candidate depots, that request must be answered by the Navy MISMO. The MISMO coordinates response with the Navy MISOs to recommend the Navy depot selected to participate in the study.

a Requests by Navy depots for consideration as candidates must be processed through their MISO to ensure command coordination.

b If there are multiple Navy depot proposals, the Navy MISMO will evaluate these proposals and may recommend only one Navy depot to compete with the other Services' depots for the workload.

3 Responses to joint Service DSOR recommendations will be made by the MISMO after coordination with the MISOs. The MISOs are responsible for internal coordina-

31 MARCH 1999

tion within their command before providing concurrence or comments on that recommendation to the MISMO.

4 Any nonconcurrences on a recommendation will be submitted to the MISMO in writing and will include adequate justification for nonconcurrence.

5 If the Navy is involved in implementing the DSOR decision, the Navy MISMO notifies the Navy MISOs and requests the involved MISO(s) to implement. The Navy MISMO will provide the Navy MISOs information copies of all joint Service decisions.

(c) For Directed Contract:

1 The SYSCOM MISO will identify by letter to the MISMO any systems for which commercial depot support has been directed by a level of authority higher than the SYSCOM. Supporting documentation of this requirement will be provided with the letter.

2 The Navy MISMO will acknowledge this requirement in writing to the other MISMOs and provide an information copy to JDMAG and the Navy MISOs.

(d) For Service Competitions:

1 The SYSCOM MISO or business planners will identify in writing to the MISMO any systems/equipment/items that will undergo competition (public-public or public-private). These will be identified as soon as the system/equipment/item is identified as a competition candidate.

2 The results of the competition will be provided to the MISO and the MISMO with information relating to the Source of Repair, repairables, and the method of implementation. The MISMO will notify JDMAG and the other MISMOs of the competition results.

(e) For Service Assignment/Retention. SYSCOMs must conduct a critical review of their programs for potential interservicing before initiating the process to retain the workload within the Navy's organic structure.

1 The SYSCOM MISOs will verify that the system/equipment/item meets the criteria for retention, before identifying the retention candidate to the MISMO. MISOs must submit JLC Forms 27, 28, and 44, and provide written justification for retention to the MISMO.

2 The MISMO will submit the package to the Navy JG-DM member for approval and submittal to the JG-DM for concurrence.

b. Candidate Depot Nominations.

(1) Requests for nominations will be submitted in writing to the MISMO via the SYSCOM MISO. The SYSCOM MISOs will submit only one candidate to participate in the study, i.e., a single DSOR per individual repairable.

(2) All requests for candidate nominations which cross SYSCOM or Service lines will be coordinated in advance with the MISO for that depot's managing command. Evidence of advance coordination and approval for the nomination will be documented in the request.

c. Implementing DSOR Decisions. Upon notification of the joint Service DSOR decision, SYSCOM/NAVICP MISOs will:

(1) Provide DSOR implementation plans to the Navy MISMO.

(2) As required to support the DSOR decision and implementation, and in accordance with NAVSUPINST 4790.7,

(a) Load the DSOR codes or cause the DSOR codes to be loaded in relevant logistics data bases.

(b) Take appropriate cataloging actions or cause appropriate cataloging actions to be taken.

(3) Initiate tracking of DSOR decision implementation.

d. DMISAs. A copy of the signed DMISA, where the Navy is the Principal or Agent, will be provided to the Navy MISMO.

B-5. References:

a. SECNAVINST 5400.15A, Department of the Navy Research, Development and Acquisition, and Associated Life Cycle Management Responsibilities of 26 May 1995.

b. NAVSUPINST 4790.7, Wholesale Inventory Management and Logistics Support of Multiservice Used Nonconsumable Items of 27 April 1990.

B-6. JLC Forms. An initial package of the JLC Forms prescribed here and in the basic document will be provided by separate distribution to the Navy HSC MISOs. Local reproduction is authorized. A set of masters will be maintained by the MISMO.

31 MARCH 1999

ATTACHMENT 1

FUNCTIONS OF THE MAINTENANCE INTERSERVICE COORDINATING OFFICE (MICO)

1. Organization. Commanding Officers of the SYSCOM industrial activities will ensure that MICOs may effectively support the interservicing program. MICOs will be:

- a. organizationally located to coordinate requirements across various lines of management;
- b. adequately staffed to perform assigned duties and responsibilities;

2. Functions. The MICO shall perform the functions detailed under each intra-/interservice program and related support categories, as follows:

a. Intra-/Interservice Program Management and Staff Support.

(1) Serve as the MICO and central point of contact with responsibility for developing and directing a comprehensive depot maintenance intra- and interservicing program.

(2) Develop internal instructions and procedures and recommend policy for all depot maintenance intra-/interservicing support matters pertaining to the depot maintenance intra-servicing and interservicing program.

(3) Provide staffing functions for the SYSCOM MISO relative to correspondence and inquiries regarding matters pertaining to the depot maintenance intra-/interservicing program.

b. Workload Planning and Programming.

(1) Assess the impact of intra-/interservicing policies and decisions on the capability and capacity of the industrial facility to support assigned and projected workloads.

(2) Ensure that capability exists for the performance of a particular intra-/interservicing workload, and that the capacity of the industrial facility is not exceeded.

(3) Assist the SYSCOM MISO by coordinating industrial facility efforts to accomplish the transition of assigned workloads and logistics support elements to designated Agent activities.

(4) Provide input into SYSCOM plans, insofar as impacts are foreseen, resulting from intra-/interservicing program decisions.

c. DMI Study and DSOR Decision Involvement.

(1) Coordinate the development of the Depot Support Proposal package as part of the DMI study process.

(2) Coordinate and encourage initiation of implementation plans for DSOR decisions when the MICO's industrial activity is the DSOR.

d. Depot Maintenance Interservice Support Agreements (DMISA) Support.

(1) Represent or assist the SYSCOM MISO with DMISA negotiations when that SYSCOM is designated as the Agent to perform work for another SYSCOM or Service and the MICO's industrial activity is the DSOR.

(2) Coordinate efforts of the involved departments at the MICO's industrial facility for the negotiation, implementation, and accomplishment of DMISAs in matters of, but not limited to, man-hour rates, funding, schedules, capacity, and production status reporting.

(3) Assure the presence, validity, and updating of required technical documentation in exhibits attached to DMISAs which involve the MICO's industrial facility when the SYSCOM is the Agent.

e. Travel.

(1) Travel is often necessary to represent the respective industrial activity during DMISA negotiations and periodic review meetings.

(2) Travel is occasionally required to attend DSOR reviews and joint interservice meetings or conferences.

f. Maintenance of Files and Submission of Reports.

(1) Establish and maintain a file of DMISAs where the SYSCOM is the Agent and the MICO's industrial facility is the DSOR.

(2) Submit the monthly production status report, in conformance with applicable DMISAs, within 10 calendar days following the end of each month.

(3) Respond to data calls on intra-/interservice workloads projected or completed by the SYSCOM's industrial facility.